

Third Millennium, Globalization of Communication and The Communication's Significance in Crisis Situations

Constantinescu Liliana-Aurora

*"Dimitrie Cantemir" Christian University,
Faculty of Finance, Banking and Accountancy, Brasov, Romania,
E-mail: lilianauroracon@yahoo.com,*

Constantinescu Adrian

*"Lucian Blaga" University,
Faculty of Economy Science, Sibiu, Romania,
E-mail: adicon85@yahoo.com*

Abstract

The beginning of the Third Millennium means globalization of communication for mankind information and communication represents indispensable raw material in the process of decision-making at every level, encouraging rapid and effective interventions for economic, humanitarian, ecological, etc.

Communication is vital for the functioning of the internal organization, in that it integrates the functions of management.

Transparency should be given time, the required dose of rational factors request and influence and employees in participatory management, but especially in the communication and participation in crisis management.

Key words: communication, globalization of communication, communication in crisis situations.

J.E.L. Classification: M12, M21

1. Introduction

The structure of interpersonal communication is fundamental point of social psychology. Understanding, acceptance and respect the rules of procedure of credit institutions is much enhanced by a precise and systematic communication on the facts involving employees.

Communication creates behavior and interests cohesion, it makes possible understanding of common tasks and objectives and individual confrontation with the credit institutions reality and ensures the psihoprofessional integration. All these appear to be stimulated by communication. With these the manager may know the employees aspiration, which is the point of departure to meet the needs of staff.

The normal functioning of communication is promoting human relations in the subunit, and ensures living the credit institution's life of each employee.

2. The Third Millennium: transparency and globalization of communication

The beginning of the Third Millennium means globalization of communication for mankind. Technology based on sophisticated satellites and lasers allow that information already, regardless of its nature, to be sent and received it instantly, and from any point on Earth. Being vital for all the world and to all individuals, information and communication represents indispensable raw material in the process of decision-making at every level, encouraging rapid and effective interventions for economic, humanitarian, ecological, etc.

The human society cannot exist at the present scale and complexity outside communication. "The spirit" which flows through giant today societal "vascular system" is named information and the knowledge, ideas, thoughts, values, information in essence exchange mediated or permanent unmediated, based on its dynamic process, is communication.

Influencing people's actions, communication contribute to achieving changes that ensure prosperity for organization and its members. Communication is vital for the functioning of the internal organization (company business), in that it integrates the functions of management. It is generally recognized that managers determine the organizational climate and influence the attitudes of members of the organization. They do so mostly through communication initiated by top management. In this sense, managers, like every other person in the organization have a major responsibility for effective communication. Superiors must communicate with subordinates and vice versa. Communication is a two-way process in which each is issuing and receiving messages.

There are already accredited the idea among those who practice the profession of manager, that transparency is needed in general and especially in the communication management.

Summary defined in specialty dictionaries (which are easy understandable, easy to guess, clear), compared by definition with the opposite description of the ivory manager tower, transparency in the management crisis is rich in psychosocial meanings. It helps the organization staff to remove distrust towards the manager and can determine the status of their inner need to enlist in the direction of effort ordered by the leadership. Transparency can also add a dose of arguments able to generate the conviction to act with responsibility and proactively in order to achieve the objectives of the company in general and the crisis in particular. Favorable effects are expected to plan and solve the managerial problems of collecting and organizing the completion of the proposals of organization staff. No less significant to us are the consequences of in terms of state of mind of employees with emphasis on knowledge and favorable influence to them.

Certainly, in administration of transparency, the manager has to be very reasonable, wary that what hurts them a lot, and what is least is insufficient to lead to management actions. This consideration should spare the manager of slipping by trinkets or slope opposite to conceal the important issues. Some mistakes can occur on election timing (too early or too late) or adoption forms of presentation (in groups too small or too big, irrational manner of link between the written or verbal, excessive dosage of a figurative expression and argumentation etc.).

In designing and transposition alive transparency is desirable for the manager to know what employees want to know at the edge of the problem, the level of reasoning, etc. Only in this way the transparency may accompany the normal management. Otherwise it may develop in opposite way, accompanied by a full suite of adverse consequences of a nature to disturb the management process.

And now you can detach conclusion: transparency should be given time, the required dose of rational factors request and influence and ultimately lead to the involvement of employees in participatory management, but especially in the communication and participation in crisis management.

3. Communication and participation in Romanian credit institutions

As far as the management is concerned, communication and participation in a credit institution consist primarily of interpersonal relationships. Experience shows that to lead is to communicate, first and foremost, to transmit ideas, feelings, decisions to staff, and to facilitate channels for response. At the same time, managerial activity and participation in credit institutions does generate among managers and staff strong feelings which can often be classed as emotional reactions rather than rational responses.

Managerial activity is a complex and continuous process of communication and involvement, through which the executives, the staff and the clients of the credit institution become mutually acquainted and acknowledged, and through which information, opinions and feelings are shared and discussed.

We are therefore faced with an issue of major implications regarding the quality and efficiency of management, which is however insufficiently debated in theory and neglected in its practical applications. Actions which have proven useful in both theory and practice must be further emphasised.

In the field of interpersonal rapports between credit institution managers, staff and clients, four main behaviour rules can be distinguished as key to ensuring the efficiency of the process:

- the manager must not expect staff, partners and clients to initiate communication; he must approach them dynamically, manifest an interest and employ his influence to determine communication. From experience, the first means of making contact with other people within a credit institution is to inquire about their activity, their concerns and their opinions. Questioning is not only a means of research, but also a method of communication. A manager which isolates himself in his office, who does not communicate with others, who manifests no interest in the others' doings and thinking paralyses his own activity and condemns himself to inefficiency. To be a manager is not to allow oneself to be set in motion by others, but to set them in motion and determine them to move in accordance with your perceptions. From this point of view, the manager is similar to an orchestra or choir conductor;
- it is not sufficient for a manager to ask others about their activities and opinions in order to achieve mutual understanding; he must inform them at the same time of his own plans, conceptions and methods and communicate permanently with all those involved in any issues. The efficiency of management is so dependent

on execution that everything should be done to ensure greater awareness, understanding and efficiency among the staff. A manager is a man who achieves through others; if he is only preoccupied by his own person he will become isolated from those who must contribute to his success;

- in order to truly communicate, it is not sufficient for a manager to speak and inquire, to express his ideas and wishes; it is equally important that he listen to the others' answers and the information they provide. To listen and understand accurately is as important and indispensable as speaking and making oneself understood. Managers who cannot refrain from monologues, convinced that this is their interest, their privilege and their exclusive right, are making a grave mistake. Those who like listening to themselves speaking run the risk of not being listened to and speaking to a void audience. Obviously listening does not mean agreeing with the opinion expressed, but before forming a conclusion we must be as informed as possible about the dimensions of an issue. Otherwise we end up operating with simple own perceptions rather than realities;
- understanding is not only logical, but also emotional. That is why it is important not only to understand what is being said, the grammatical sense thereof, but also to reach the human implications of the message, understand the man saying these things, his intentions and motivations, those things hidden behind the words, in his mind and heart, and ideally even further, in his psychological make-up and the subconscious. The same word has a different weight and significance when the speaker is either modest or boastful, honest or dishonest, capable and hardworking or neither. Working with staff, partners and clients is understanding them is not only to interpret their words, but also their personality, their entire being. In working with staff, partners and clients we must get to the person, not stop at their gestures, expressions and external appearances, which beyond being superficial can be meant to mislead us. The true understanding of people can only be achieved through actions.

An example of applying the four rules of behaviour in the activity of the author, a manager-president of a credit institution, is shown below:

Each day a timeframe of 45-50 minutes of the manager's activity is dedicated to contact with the staff at each of their respective work stations. These daily meetings allow for permanent contact with employees, and it is customary for the latter to bring up those issues they feel it important for the manager to know.

The meetings are informal and very rarely do they take the form of operative meetings. In many cases the personal lives of staff are also discussed; employees are now used to informing the management of any aspects of their lives where they feel they require support.

Another aspect is the rigorous adherence to the weekly audience schedule by the manager-president. The audiences are another opportunity to discuss and resolve a large spectrum of problems concerning the staff's activity within the credit institution.

A significant place in the management of the credit institution is taken up by *participation*. Given the meaning of participation and the needs of managerial practice in this context, it is crucial to refer to it *in pragmatic terms*, which deal with action, practical success and usefulness.

Regardless of the direction of participation, the manager monitors *the positive effect of participation on the quality of action and the motivation of employees*. The effects are directly proportional with the degree of participation. The translation of this basic hypothesis requires that the manager ensure an efficient rapport between the level of application of participation and its cost, in other words to establish the optimum extent of participation. In the management of credit institutions, participation has the most favourable context for application, but the extent must be established rationally, demanded and incentivised.

In choosing a balanced, rational solution, the manager must take into account the following considerations with regard to the character of motivation forces:

- ⇒ in using motivation it is possible to most often employ constraint, threats, punishment and only rarely reward; the other, superior solution, is to arouse mutual interest of both material and moral nature, to involve the collective in all activities and sought outcomes, including the benefits that result;
- ⇒ in accordance with the degree of responsibility felt by each participant in achieving the overall objectives rather than just the success of specific tasks and developments, the most unpleasant is when full responsibility is only felt at the very top levels, whereas the middle levels feel less responsible and the bottom layers appear indifferent; this has very negative consequences with regard to the overall objectives. The optimal situation is to have the entirety of staff feeling fully responsible at all levels for the overall objectives of the company and doing all that is needed to contribute concretely and swiftly to its fulfillment.

As far as participation is concerned, management must be understood as a process of forming and imposing participation to resolve all problems and reach all determined objectives, including those for which the manager is directly responsible. This process of forming and imposing participation can be decomposed into multiple phases or operations.

According to the complexity and permanence of participation in the process of formation, the following phases can be distinguished:

- ↗ The phase of issuing the problem of forming the participation process;
- ↗ The phase of seeking, with added emphasis on determining means of action;
- ↗ The phase of appreciation;
- ↗ The phase of determining the possibility of setting participation in motion;
- ↗ The phase of execution;
- ↗ The phase of control and assessment of success after participation.

Participation also involves ensuring a participative management. Managerial practice underlines the superiority of participative management, which consists in getting the staff mutually interested in the work they perform by allowing them to organise their work themselves.

Participation is coordinated by the manager. Within this process he takes into account the advantages of involvement and organises activity to maximise the exploitation of these advantages. He also considers the inconveniences generated by participation and seeks to overcome them. The manager-president of credit institutions has the following *advantages* derived from a participation system:

- A wider domain of knowledge for the participants, through the simple fact that a single man is always limited to his knowledge and competences;
 - By involving numerous employees, participation creates the possibility that their knowledge, research and problem-solving skills be used, thereby ensuring extra knowledge and competence in solving more problems than would otherwise be possible;
 - Through participation, those involved bring with them not only knowledge and competences, but also their own points of view, thus enabling a more thorough approach of the issues at hand;
 - A global vision can be achieved on the issues analysed, which allows for a comprehensive interpretation of various fields of activity.
- The manager cannot ignore the inconveniences of participation, namely:
- ◆ The risk that the decision-making cycle gets longer and easier to derail; this can be compensated for through greater efficiency in execution. It is important to note that employees who have participated in decision-making will feel more integrated and therefore will exercise more responsibility in execution;
 - ◆ It is difficult to trace clearly the needs, directions and proportions of participation.

No less important for the fulfilment of the fundamental objective of credit institution management is *the relationship between participation and efficiency*. Within credit institutions, where the process of economic efficiency improvement is judiciously conceived and acted upon, a number of employees are involved in concrete actions and the decisional act, both in activity and in the passing on of professional skills.

Participation in general and staff involvement in efficiency improvement is dependent on unity of action. The preoccupation with improving efficiency brings employees together, develops and strengthens the spirit and the will to obtain better results. A collective spirit is present as a characteristic and psycho-social condition of the action of improving efficiency.

In effect, human participation in the general effort to increase efficiency is an ample process of integrating each employee, of adopting the rules of common living, of assimilating the activity requirements and concrete means.

To this end, participation in the improvement of efficiency travels along a lengthy journey. It begins through the individual involvement of employees, followed by economic, social and psychological involvement; it is therefore a conscious process which encompasses all the moments and dimensions of human involvement. The aim is to generate active commitment and responsibility, a contribution both personal and collective.

Within credit institutions, the preoccupation for establishing a participative management is a priority.

The system of wages on the basis of an individual contract is operating thoroughly and with a great degree of efficiency. Incentivising employees on the basis of achievement has made employees more responsible and led to total involvement of most of them in the effort to enhance client loyalty and to initiatives from the lower levels within the bank which have brought benefits.

Establishing incentives for greater participation in the accomplishment of the credit institution's objectives has also been achieved through a very careful approach to

solving the social problems which personnel are faced with. To encourage staff to know each other, the credit institution encourages the celebration of various anniversaries and is also actively involved in eradicating unwanted behaviour surfacing in certain employees. These initiatives and others like them have contributed to a greater mutual trust between the employees and the credit institution and to overcoming a very difficult period of transition to a functional market economy which the institution was faced with.

Conclusions

A credit institution is a dynamic and ever-changing system in the competition context of the market economy. Performant communication in a credit institution consist primarily of interpersonal relationships. Experience shows that to lead is to communicate, first and foremost, to transmit ideas feelings, decisions to staff and to facilitate channels for response. At the same time, managerial activity and participation in credit institutions does generate among managers and staff strong feelings which can often be classed as emotional reactions rather than rational responses.

Managerial activity in credit institutions is a complex and continuous process of communication, which enables managers and the staff to discover and discuss fundamental or current issues, with the aim of improving performance.

It is necessary to ensure a psycho-social environment whereby wholesale communication and rapid information are facilitated.

Communication should reflect the work and manager's practice because in life employees are not influenced by what the manager says, but what makes it in life in general.

References

- Constantinescu, L., A., (2008), *Managementul performant al băncilor cooperatiste într-o Românie modernă, europeană*, Ed. Lux Libris, Braşov;
- Constantinescu, L., A., (2009), *Instituțiile de credit și operațiunile desfășurate de acestea în România*, Editura Lux Libris, Braşov;
- Constantinescu, L., A., (2010), *Management financiar bancar*, Editura Lux Libris, Braşov;
- Pănișoară, I., (2004), *Comunicări eficiente ed a II-a*, Editura Polirom, Iași;
- Petrescu, I., (2004), Dimensiunile culturale, social-umane și etice ale managementului european, in *Marketing-Management* no. 6, Bucharest;
- Petrescu, I., (2002), *Managementul Performanței*, Editura Lux Libris, Braşov;
- Petrescu, I., (2004), *Management European*, Editura Expert, Bucharest;
- Petrescu, I., (2005), *Fundamentele managementului organizației. Abordări moderne*, Editura Alma Mater, Braşov;
- Popescu, I., (2001), *Certitudine și risc în tranzacția economică*, Editura Eficient, Bucharest;
- Pruteanu, Ș., (2005), *Comunicare și negociere în afaceri*, Editura Polirom, Iași;
- Ștefănescu, C., (2008), *Managementul afacerilor*, Editura Fundației România de Măine, Bucharest.